- Copyright waters get muddier
- UTV resets launch; new partnership possible
- New York bidders reach agreement

# CableVision™

The news and features weekly of the cable television industry January 10, 1983 $3.00

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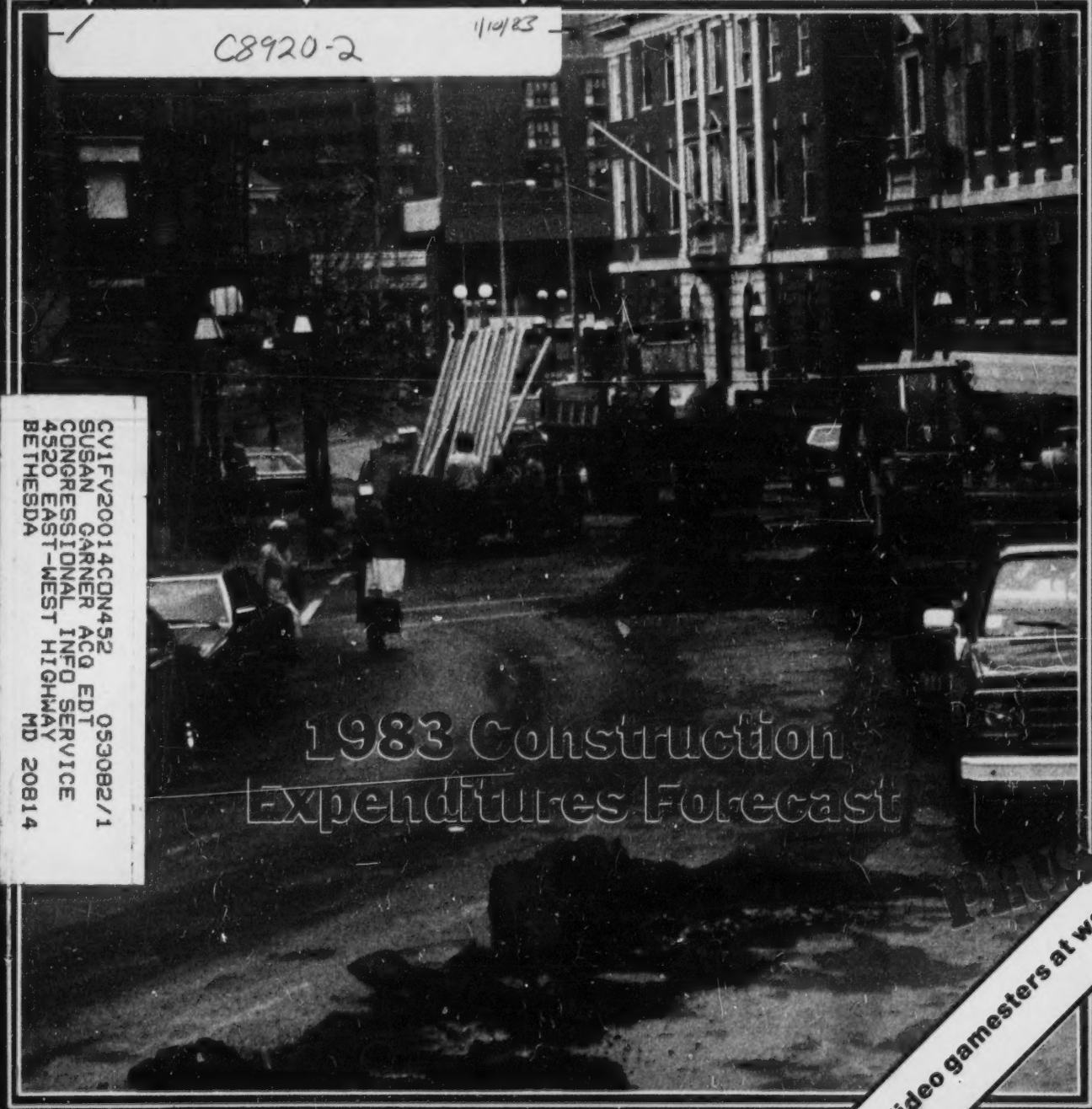


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**CableVision** January 10, 1983. Volume 8, Number 18

Between the lines/5
CableScope/11
Newswire/14
Leading the week/18
Construction forecast/25
Programming/57
CableVision Plus/73
Marketing/97
Advertising/112
Business/121
Government & law/138
Events/148
Classifieds/150
Advertisers' index/154
Technology/155
People/156
From Washington/160
Cable stats/163
Parting words/166

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WIRING AMERICA

## Special Report
## Construction forecast

New and replacement plant construction in 1983 may closely match 1982's record-setting pace, but you can expect annual new plant work to level off through 1986. That forecast by *CableVision* editor Fred Dawson, who surveyed MSOs around the U.S., reflects the effects of "marketplace realities" on long-term industry projections. Cable operators may be inclined to spread new plant work over the next four years to uphold sound profit margins. Charts listing *CableVision*'s projections for 1983 and plant-mile and cost figures for 1982 accompany the annual forecast. Also, New York Bureau Chief Victor Livingston examines the successful first-phase construction of Boston's cable system. **Page 25.**

## Lewis joins Warner Amex

Reagan's Transportation Secretary Drew Lewis, an administrator renowned for turning around shaky ventures, replaces Gustave Hauser. **Leading the week, pages 18-23.**

## Systems dropping signals

Congress suspended the Copyright Royalty Tribunal's royalty rate hike until March 15, but some systems began dropping distant signals. The Copyright Office also may have caused operators to drop the signals because of confusion surrounding its stand on whether the new rates will be prorated. **Leading the week, pages 18-23.**

## Chicago picks finalists

Group W was recommended for two of the five franchises in Chicago. A decisive City Council vote is expected this week. **Leading the week, pages 18-23.**

## UTV seeks security

To "assure the long-term viability of the service," UTV executives have rescheduled the launch date of the ad-oriented basic service from Jan. 10 to mid-February. Also expected is an announcement of a new partnership with a major industry player. **Leading the week, pages 18-23.**

## Hooking audiences in 1983

Cable programmers will attempt to build viewer loyalty with original and exclusive product. **Page 57.**

## Crunching numbers

Arbitron, A.C. Nielsen figures agree on nationwide cable penetration, but they differ on individual systems. Charts of the top 50 markets compiled by the services accompany the article. **Page 97.**

## Seven-day recall

Daytime and TeleFrance use a traditional survey tool to measure their audiences, with positive results. **Page 112.**

## Manhattan Teleport

Officials propose an earth-station complex on Staten Island to attract cable business and jobs. **Page 121.**

## Lift the ban

NCTA and others urge the FCC to eliminate cable/broadcast network cross-ownership restrictions. **Page 138.**

## About the cover

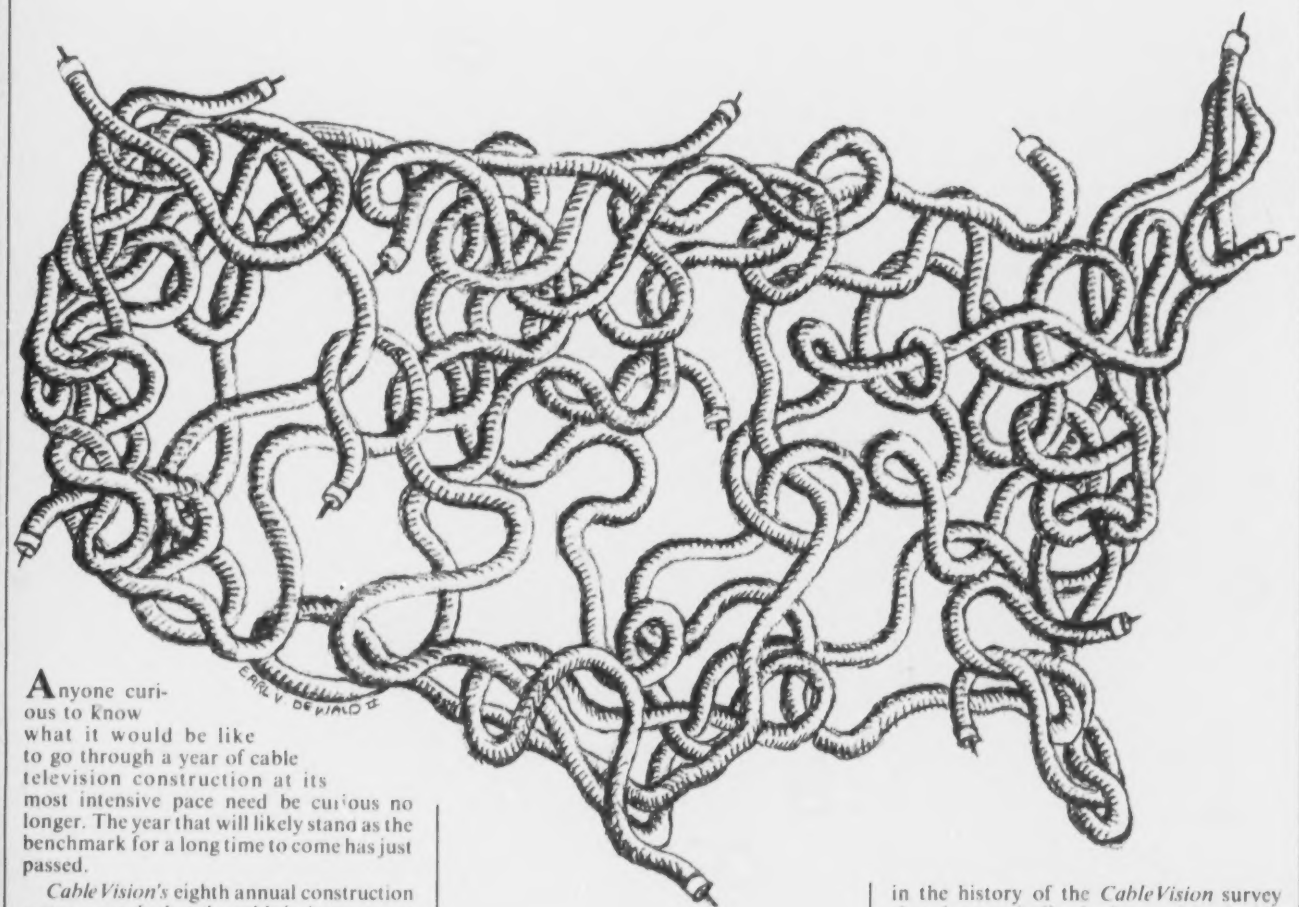
Construction of Boston's cable television system winds through the city's historic North End. Photo by Bill Berry.

## This week in PLUS

Look, Ma, no quarters! As the video craze spreads, more companies are considering cable as a source of game income. Next year, when The Games Network launches, the field that PlayCable once had to itself will become a battleground to rival that of any video game. And if the other companies in the wings join in, who knows what will ensue? But has cable become involved in the tail end of a dying fad? Where will it find itself in the advent of a video game shake-out?... Television is television, but should regulations differ when the medium is cable? Morality in Media doesn't think so. The legality of that group's intentions is questionable, but MIM, led by Morton Hill, continue on, ignored by the cable industry but with enough support from other sources to continue. **Pages 73-96.**

# WIRING AMERICA

By Fred Dawson




Anyone curious to know what it would be like to go through a year of cable television construction at its most intensive pace need be curious no longer. The year that will likely stand as the benchmark for a long time to come has just passed.

*CableVision's* eighth annual construction survey reveals that the cable industry spent $1.756 billion in 1982, 25 percent above 1981's figure, to build 83,768 miles of new-build and 32,422 miles of replacement plant. These mileage totals were 17 and 35 percent, respectively, above the amount of plant installed in 1981.

Every expense category registered significant gains over sales in the previous year. Some $351.8 million was spent on coaxial trunk, drop and feeder for new and rebuild plant, compared to $294.9 million the year before. For labor and construction services, which include vehicle purchase and maintenance, storage and management services, the industry shelled out $640.4 million in 1982, $120 million more than the 1981 total.

The most dramatic increase in outlays came in converters—most notably addressable converters. All told, $356.7 million was spent on converters in new and rebuild construction, 31 percent over the 1981 figure. The share of that sum attributable to addressable converter outlays was $164.2 million, a 230 percent jump over the year before.

But if this year's survey is notable for all-time highs registered in 1982, it is equally significant for what it shows about 1983. According to projections from the numbers supplied by survey respondents, who represent 47 percent of the industry's subscriber total, 1983 will be the first year in the history of the *CableVision* survey that shows a decline in the number of miles of cable plant and in overall expenditures from the year before. From 1975, when the industry added 11,175 miles of new plant, through 1982, when 83,768 miles were added, the industry averaged yearly increases in new-build mileage of 24 percent, with one period, 1979-1980, showing a whopping 43 percent increase in new plant mileage. In the past three years, overall construction expenditures have increased at an annual rate of 15 percent, and, of course, the rebuild plant mileage increases have been astronomical from one year to the next.

But for 1983, in every construction and equipment category except addressable converters, the *CV* survey shows a slight

# Construction expenditures

| New plant construction<br>In miles | 1982<br>Actual | 1983<br>Projected |
|---|---|---|
| Underground | 10,437 | 8,231 |
| Aerial | 73,331 | 72,700 |
| **Total** | **83,768** | **80,931** |
| **Cost ($ in thousands)** | | |
| Antennas and towers | 4,926 | 4,886 |
| Microwave equipment | 32,874 | 31,621 |
| Headend | 34,355 | 32,229 |
| Line amplifiers | 133,136 | 130,597 |
| Cable—Trunk | 98,521 | 93,456 |
| Feeder | 114,948 | 109,633 |
| Drop | 74,129 | 73,080 |
| Taps and outlets | 49,266 | 45,875 |
| Converters—Nonaddressable | 184,076 | 164,367 |
| Addressable | 158,625 | 191,141 |
| Construction services | 311,984 | 310,659 |
| Earth stations | 16,428 | 15,591 |
| Pay TV security devices | 65,683 | 62,154 |
| Local origination equipment | 32,859 | 30,972 |
| Labor costs | 328,451 | 326,567 |
| **Total** | **1,640,261** | **1,622,828** |
| **Replacement plant construction**<br>**In Miles** | | |
| Underground | 4,202 | 4,658 |
| Aerial | 28,220 | 26,000 |
| **Total** | **32,422** | **30,658** |
| **Cost ($ in thousands)** | | |
| Antennas and towers | 3,268 | 3,090 |
| Microwave equipment | 5,252 | 4,967 |
| Headend | 3,385 | 3,201 |
| Line amplifiers | 22,177 | 20,969 |
| Cable—Trunk | 14,006 | 13,244 |
| Feeder | 26,845 | 25,385 |
| Drop | 23,344 | 22,074 |
| Taps and outlets | 4,669 | 4,415 |
| Converters—Nonaddressable | 8,431 | 10,223 |
| Addressable | 5,573 | 3,012 |
| **Total** | **115,950** | **110,580** |
| **Grand total** | **1,756,211** | **1,541,990** |

*The results of this survey are derived from a sampling of MSOs and manufacturers, and are estimates based upon information supplied to* CableVision. *All numbers and company references have been held in strict confidence.*

*(Continued from p. 26)*

drop from the levels reached in 1982.

According to the survey, cable operators will spend $1.733 billion on all phases of construction in 1983 as opposed to the $1.756 billion spent in 1982. Total new-build plant miles projected for 1983 come to 80,931 compared to the 83,768 miles constructed last year. In the rebuild plant category, the 1983 mileage is projected to be 30,658 against 32,422 in 1982.

Obviously, none of this represents a significant drop off 1982's pace. In fact, allowing for a margin of statistical error, it could be said that 1983 will be virtually the same as 1982. But such a statement may underestimate the developing trend because there are indications that the outlays projected in December, when operators responded to the survey, might be further reduced if the nation doesn't begin to rise out of its recession soon.

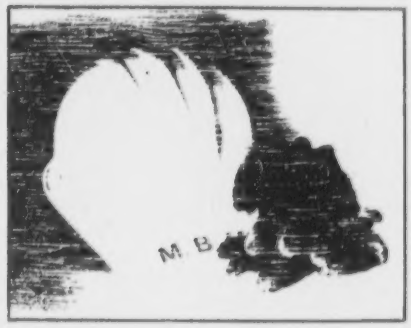
Moreover, through further research into the near-term future, *CableVision* has determined that 1983's construction is the beginning of a gradual year-to-year drop in the number of miles to be added between now and the end of 1986.

MSOs responding to the survey, representing nearly half the industry, expect to add some 95,000 miles during that period. Doubling that figure to cover the entire industry and adding 15,000 miles to cover franchises not yet awarded brings the total new-build miles to be added between now and the end of 1986 to 205,000. With 82,931 of those miles projected for 1983, that leaves only 122,000 miles of new-build plant in the three years following 1983. That's an average of just under 41,000 miles per year, which is well under the new-build rates of the past three years.

In terms of expenditures, using the 1983 new-build rate of $20,052 per mile, as averaged from the current survey findings, annual industry expenditure on new-build plant beyond 1983 will reach the $822 million range.

As for MSO rebuild projections for the next four years, a sharp drop-off can be expected after 1983, which the *CV* survey shows will register some 30,658 miles of replacement plant construction. For the three years following 1983, the industry can expect the rebuild mileage total to be approximately 60,145, or some 20,000 miles per year. At a cost of $3,600 per mile, as derived from 1983 projections, this would mean the rebuild expenditure beyond 1983 would be some $72 million per year.

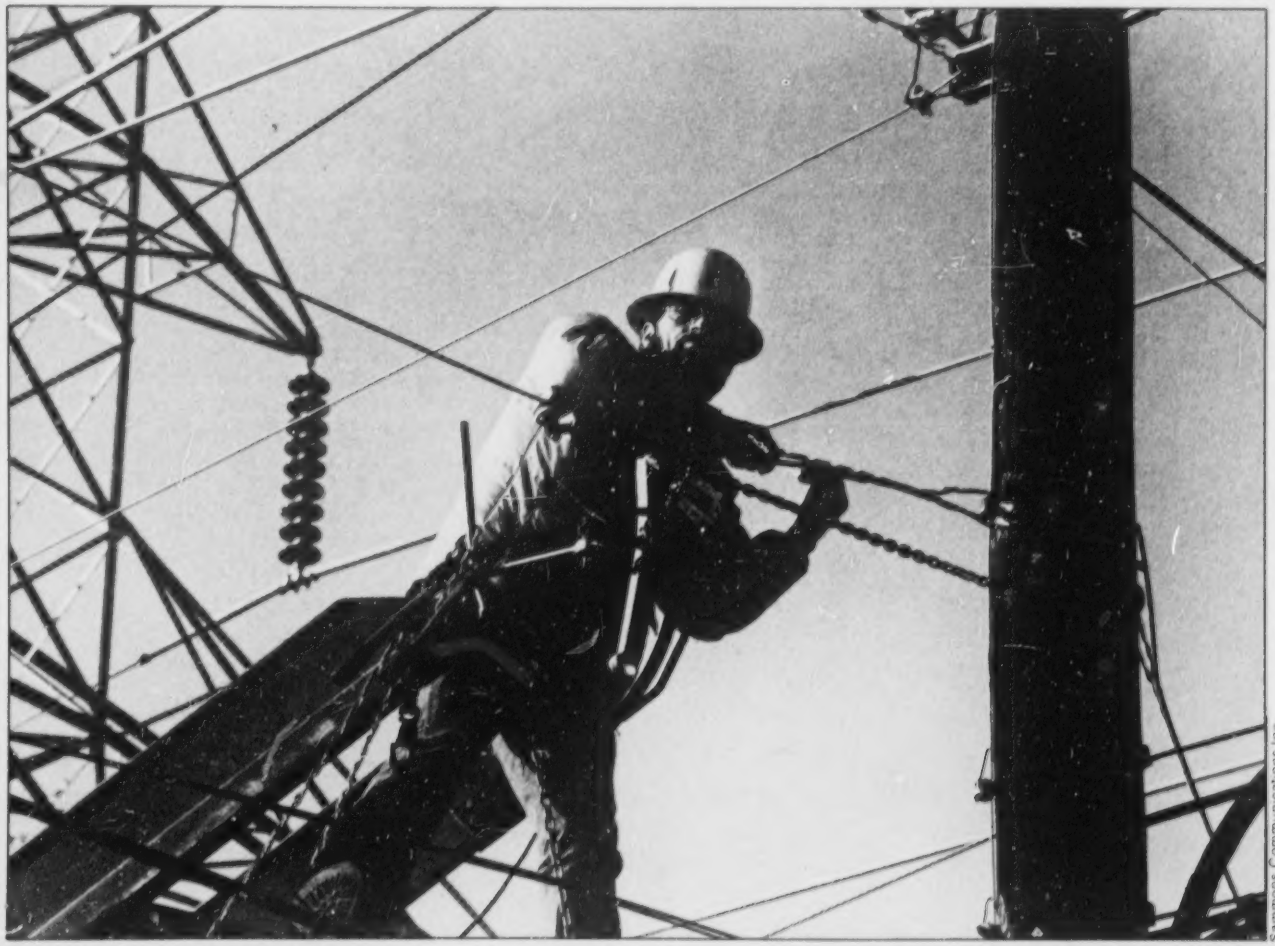
Combined with the average new-build outlay for 1984-86, this would bring the average annual construction expenditure



for each of the three years after 1983 to $894 million, which is well below the more than $1 billion per year the industry has been averaging since 1980 but well above the rates in the years preceding 1980.

It takes no special insight into the industry to understand that a construction decline is inevitable as more and more communities join the wired nation. But it may come as a surprise that the corner is being turned this year rather than further down the road.

A number of factors, chief among them the recession, are producing the earlier-than-expected braking pressure. But it should be understood that this in no way indicates the industry is moving toward a



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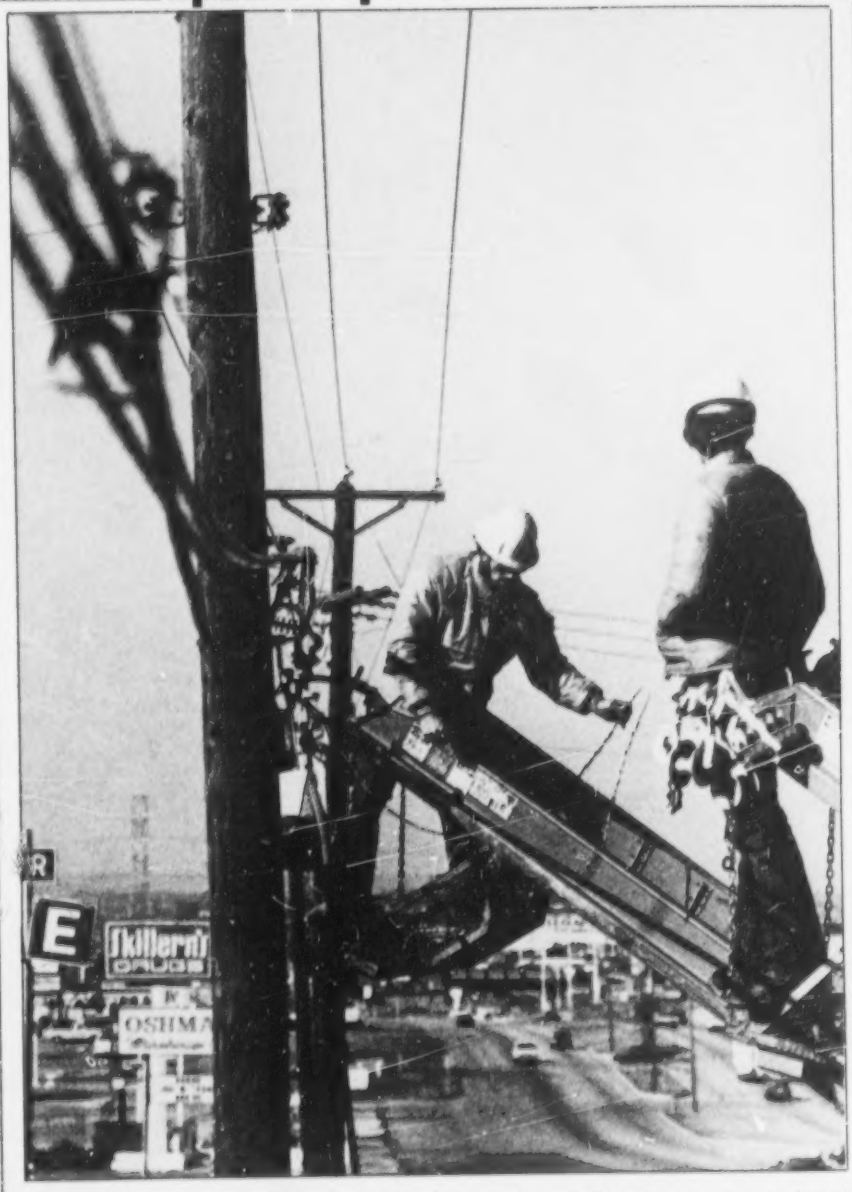
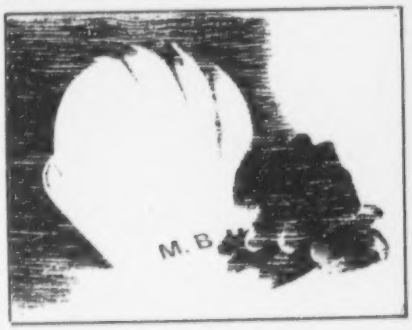




reduction below what normally would be anticipated as the long term brings the inevitable completion of major new-builds. Rather, the intentions of operators point to a stretching out of the building boom as a way to ensure that balance sheets over the next few years will remain solidly in the black. Thus, any further reduction in mileage in 1983 beyond the totals projected in the current survey will be made up in following years.

Obviously, given the deadlines set by franchising authorities, there is only a limited amount of flexibility when it comes to postponing construction of new plant. But the signs are clear that whatever slack there is will be taken up quickly if the prolonged economic slump continues. And, of course, in the case of upgrading systems, there is much more latitude for operators looking for a way out of the economic squeeze.

Said one MSO executive who preferred anonymity, "Sure, I'm going to meet franchise commitments where the issue is a black-and-white deadline written into a new contract. But there are many grey areas where I have the option of not taking the great leap forward. Rebuild is an obvious case. But there's also the matter of extending plant into areas of new housing development. For awhile, we, like everyone else, jumped to go after those areas. But now we're holding off, even to the point of taking a little heat from the franchise authorities."

Already, operators report the slowdown has produced a significant shift in the labor picture compared to a year ago. Dave Willis, director of engineering for TCI, was one of many executives who noted that the rate of calls from contractors seeking work has risen sharply. Contractors contacted by *CableVision* for the survey agreed there is less work, but none would go on the record to indicate just where things stand.

Willis saw several factors at work in the industry producing a slowdown in the construction pace. Along with the general condition of the economy, he noted costs remain high, penetration "is suffering a bit," and "we're seeing a lot of recalculations among those companies that are building some of the large systems that received so much ballyhoo in the last few years."

The emerging tendency to undertake new construction with more caution is having an effect not only on labor availability but on equipment supplies as well. Jim Neese, vice president of engineering at United, was one of many executives who noted the change. "Vendors are on time," he said. "There's no problem with shipment delays now. We can practically get most things off the shelf."

It is easy to understand why the last few years of all-out construction would lead to caution among MSOs. The nature of the cable boom has been to create upward pressure on prices even as inflation in most areas of the economy has been curbed. Instances of construction cost overruns abound throughout the industry. Cox in Omaha, for example, reports $46 million in projected capital expenditures, some 27 percent over projections.

Fred Dressler, president of Mile Hi Cablevision in Denver, noted that, by the time ATC drew up the final *pro formas* for the Denver bid, the estimated cost of construction had risen over a hundredfold from the amount the company initially thought it would take to build the city.

Some hard lessons in the last three years have contributed to the more conservative approach to new construction projects. The experience of a small Florida-based MSO is an extreme case of what has befallen many operators in the rush for cable gold. The company's franchise territory covers several fast-growing communities. As new homes and apartment buildings were built, the system's managers quickly ordered equipment to permit rapid extension of the system in all directions. Most of the plant in the older sections was at 12 channels, with penetration system-wide at a healthy 55 percent.

Assuming the penetration rate would hold in the new areas, the operator installed 35-channel plant as fast as the new subdivisions went in. The system, a mere two years following the decision to extend plant at expanded capacity into

*(Continued on p. 39)*

(Continued from p. 34)

these new areas, has gone from high profitability, to near bankruptcy largely because so much money was spent at once without any market demonstration of demand for the costlier 35-channel service.

In the opinion of the consultant who has been called in to direct the company out of its morass, nobody should be extending plant under current economic conditions without careful planning and a clear demonstration of demand among new communities.

Given there is a more conservative mood about construction, are vendors feeling a downward pressure on prices? "Not really," said the marketing vice president of one manufacturer. "It's true demand is leveling off a bit, but look where it's leveling off at. It's taken us years to gear up to where we could meet this rate of demand, so we hardly view it as slack, even if it drops a little. We know, with all the franchise commitments out there, there's only so much room for cutbacks in building plans over the next 12 months. So I don't see why we would have to be lowering prices at a time when we need those revenues to cover our own expansion costs."

This manufacturer and others noted that, in the long run, it won't just be a drop-off in demand that puts a brake on price escalations. There is also the matter of cost reductions resulting from improvements in efficiency and design.

Commented one executive with a major manufacturer of addressable converters: "I realize that in new franchise situations, people have to buy now, and we've done our best to come up with a good product at the lowest possible price. But our engineers are already well into the design of the next generation of converter, and using what we've learned from past experience, I have no doubt we'll be offering a better product at slightly less cost."

Another executive working for a major producer of headend and line electronics had this to say about price trends: "I don't think the question is whether prices are going to fall or even hold at present levels in the face of slackening demand. The question is whether prices are going to continue going up at past rates of acceleration, and I think the answer is, clearly, they are not."

Judging from this year's survey results, he is right. From 1977 through 1982, the per-mile cost of new-build plant rose better than 10 percent per year. The per-mile cost will go up again in 1983, but the rise will be only 3 percent. Averaging all new-plant cost factors, including local origination equipment and converters, the 1983 per-mile cost will come in at $20,050, the *CV* survey shows. The per-mile price in 1982 was $19,580.

Hand in hand with the industry's more cautious approach to launching new construction is much greater sophistication in construction management. Stringent cost accounting; consistent procedures and policies; coordinated purchasing to achieve volume discounts; more efficient management of inventory; and creation of corporate construction divisions are among the steps taken by operators.

Perhaps no company has gone further than ATC in streamlining and cutting construction costs. The company's in-house construction staff now numbers approximately 300, said Bill Brown, the division's senior vice president.

Brown said ATC has discovered its per-mile savings using its own crews have been running at 20 percent or more. In Indianapolis, 549 miles of aerial 400 MHz plant have been completed at a cost of $9,200 per mile, he said. This compares to $13,000 per mile bid on a turnkey basis by a contractor prior to the MSO's decision to use its own

(Continued on p. 47)

# Fast track meets marketplace realities

New and replacement plant construction, 1975-83

| | 1975 | 1976 | 1977 | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 (Projected) |
|---|---|---|---|---|---|---|---|---|---|
| **New plant construction** | | | | | | | | | |
| In miles | | | | | | | | | |
| Underground | 1,865 | 1,606 | 2,522 | 4,121 | 8,736 | 7,582 | 14,110 | 10,437 | 8,231 |
| Aerial | 9,310 | 10,852 | 16,271 | 18,005 | 23,178 | 48,750 | 57,505 | 73,331 | 72,700 |
| **Total** | 11,175 | 12,458 | 18,793 | 22,126 | 31,914 | 56,332 | 71,615 | 83,768 | 80,931 |
| **Replacement plant construction** | | | | | | | | | |
| In miles | | | | | | | | | |
| Underground | 655 | 207 | 1,222 | 1,159 | 1,508 | 1,145 | 7,247 | 4,202 | 4,658 |
| Aerial | 2,600 | 2,893 | 6,236 | 6,998 | 6,635 | 8,925 | 16,705 | 28,220 | 26,000 |
| **Total** | 3,255 | 3,100 | 7,458 | 8,157 | 8,143 | 10,070 | 23,952 | 32,422 | 30,658 |
| **Grand total (in thousands)** | $126,822 | $168,952 | $194,795 | $241,607 | $651,853 | $1,187,744 | $1,403,878 | $1,756,211 | $1,541,990 |

*(Continued from p. 39)*

crews. Brown said the pace of construction in Indianapolis has been averaging 55-65 miles per month.

The city has been a major testing ground for ATC's approach to construction insofar as the system had to make up for serious delays in the initial construction phase. At one point early last year, the company was threatened with an $18,000 fine for failing to complete 17 percent of the system by Feb. 19. Because a severe winter and make-ready delays were responsible for the problems, the city granted a six-month extension of the deadline. The new deadline was met with time to spare, and now the system is more than half completed.

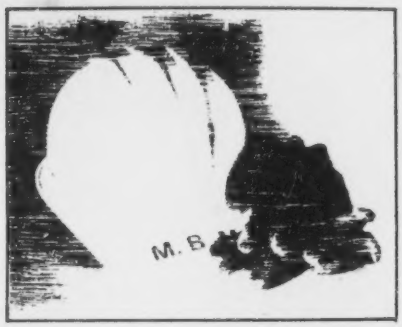
Brown cited a number of factors that have contributed to the cost-efficiency of the in-house operation. ATC management is in direct control of the crews, which eliminates both the problem of "supervising the supervisors" and the overhead costs of turnkey management, he said. Brown also noted that by offering construction workers and technicians a career opportunity with a major corporation, ATC is able to lure individuals who are looking for stability. "We have something to offer the experienced worker who has been at it for awhile and is now ready to settle down with a family and needs a little security," Brown stated.

Another benefit of the in-house operation is the improved coordination between purchasing, accounting and on-site elements of the construction operation. Brown said ATC has found that it can hire college graduates with degrees in industrial construction management to handle the scheduling and paperwork side of the construction business. "We've been able to show them that cable television construction management is as challenging as construction management anywhere," he said. "We're able to keep a running account of inventory and expenses. For example, taps may be building up in inventory faster than we expected. We can trace the cause, which might be that demographics in a particular market have changed or our projection ratios were off. So we make the right adjustments and cut back on orders. It's a far more efficient operation than we ever had before."

The biggest problem in relying on in-house crews, Brown said, comes in shifting crews from place to place for small jobs. For many such jobs, the company still turns to outside contractors for help.

As might be expected, the record-setting pace of 1982 did not come without its glitches. Many operators found themselves bargaining with franchise authorities to avoid fine assessments, and in most instances, the blame for the delays fell to the pace of make-ready.

Ted Campbell, general manager of the Warner Amex system in Pittsburgh, noted that the utilities there, despite being accustomed to cable construction over the years, just were not prepared for the preparations necessary for installation of

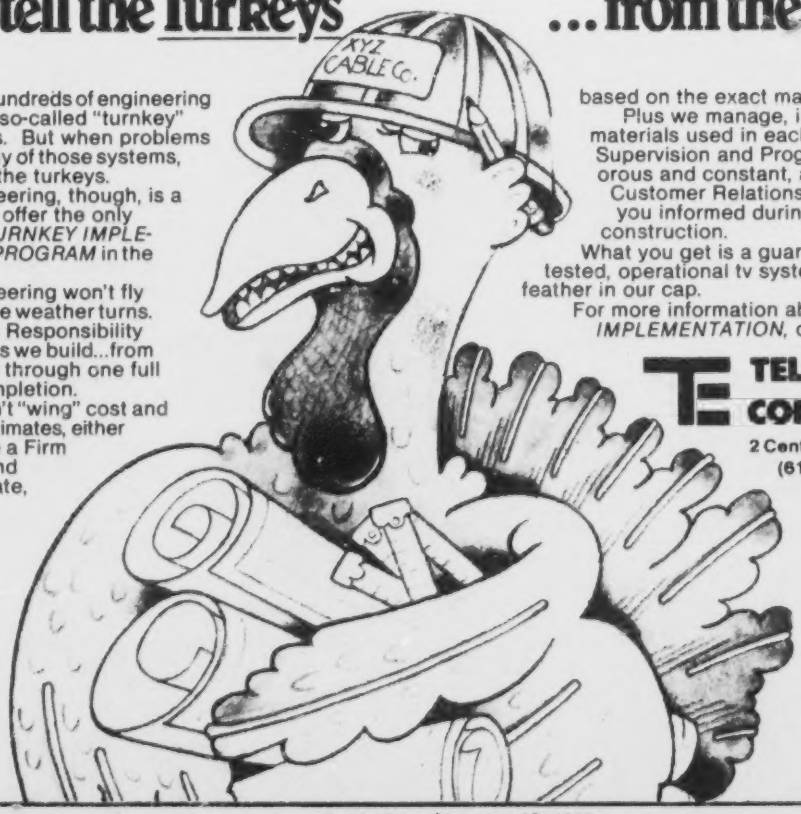



dual coaxial plant. Although the Pittsburgh system met its deadlines, it was touch-and-go early last year as the cable company waited for the utilities to adjust to the realities of dual-plant construction.

Regarding make-ready, Harold Null, Storer's vice president of engineering, commented, "The biggest problem in construction, as always, has been getting the permits for make-ready. The utilities just aren't geared up to accommodate the current pace of cable construction. They don't want to hire extra workers just for the cable construction period, so they make do with the crews they have." Null said that while this problem led to some tight situations, his company was able to avoid fines through a combination of rapid construction and good politics.

A typical problem with make-ready has kept Cablevision Systems from building the Fairfield County, Conn., system as


# How to tell the Turkeys ...from the Turnkeys:

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quickly as it would like. There, the utilities have been able to deliver 30 miles of poles per month, while Cablevision Systems has been geared up to build at a pace of 60-80 miles per month.

Of course, delays in make-ready haven't been the only causes for headaches among operators pushing full bore toward meeting construction deadlines. Another major concern has been public reaction to the inconvenience and plain inconsideration that goes with cable construction. In a Chicago suburb, a circuit judge enjoined installation of underground lines in response to a class action suit brought by citizens who claimed the company's installation of cable and electronics damaged property and detracted from area appearance.

In Fort Worth, Texas, public outcry over the discourteousness of cable crews led to the firing of a major contractor. And in Cincinnati, Warner Amex had to smooth civic feathers following a flare-up over its underground construction. Many other operators experienced similar hassles, which often were made worse than usual because contractors were pressed to fill intense demand by employing less than competent workmen.

But while operators often found themselves bargaining, sometimes unsuccessfully, with franchise authorities to avoid fines, last year went surprisingly well considering the pace of construction. At year's end, most major city new-builds were on or ahead of schedule. Due for completion in 1983 were Pittsburgh; Omaha, Neb.; Indianapolis, Houston (over a year ahead of schedule); Atlanta; Nashville, Tenn.; Cincinnati; portions of Los Angeles; Kansas City, Mo.; and dozens of major metropolitan suburbs around the country.

Perhaps even more impressive than the sheer mileage totals racked up in the past year is the fact that so much of the new plant is far more technologically advanced than past equipment. For those who were concerned about whether 400 MHz plant would operate without major problems, 1982 brought great relief.

Omaha, Pittsburgh (at 330 MHz), Cincinnati, Portland, Ore., Atlanta, and many other systems came on line with advanced two-way plant with no more than the usual proportion of service complaints from new subscribers.

The year also marked a breakthrough in the addressable converter field. In 1981, the industry abounded with horror stories about converters that didn't work and the losses that resulted from the failures. But in 1982, things improved dramatically.

For example, after a shaky start in Omaha, Oak was able to come through with consistently reliable performance for its TC-56, said Cox System Manager Jim Vodack. Bob Hosfeldt, executive vice president and general manager of Gill-cable, also reported that Oak is improving significantly since the first orders came in.

Early problems were not unique to Oak. Jerrold, too, was plagued by hassles in the early going. But in 1982, the company turned the situation around. Tom Bird, vice president of development for Rollins Cable, reported that the failure rate with the Jerrold converters is now under 1 percent per month, which is below the failure rate for the MSO's conventional terminals.

TOCOM is another major converter manufacturer that had to endure unusually severe start-up pains. But by all accounts, that firm is on track with booming sales and consistent performance.

Similar reports were received from operators regarding addressable gear from Pioneer, Zenith and other major manufacturers, which were credited with particularly good quality performance rates.

The high rate of sales in addressable converters projected for 1983 reflects the fact that, by and large, the industry has been convinced that in the age of multi-pay, addressability makes economic sense. United's Jim Neese voiced the thoughts of many operators when he said, "The way service is structured today, we can't function without addressability. In all new as well as major rebuild projects, we're going with addressable converters."

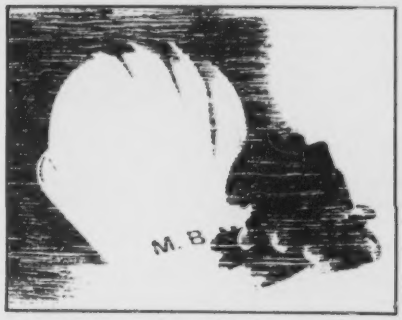
But Neese, like many others, still would like to see improvements in the addressable concepts.

After three years of examining the question, ATC has finally decided to go with a new approach in addressable gear, and it is a direction many operators favor. The firm has signed a contract with Toshiba to produce a two-way addressable system that places the security equipment outside the home.

This approach has great appeal among many operators. TCI President John Malone, for example, spoke highly of one manufacturer's experimentation with a device that would simplify addressability considerably and lower the costs in the process. Although the manufacturer prefers to keep the project secret, an official agreed to describe the concept anonymously. The new system would not scramble signals at all, thereby obviating the need for any kind of descrambler. Instead, a device placed on the pole outside would respond to the channel tuner in the home by allowing a chosen signal to pass, provided the home was authorized to receive it. This device would permit multiple-set hookups without additional equipment and would serve as many as four residences at a cost of about $100 per household.

Such breakthroughs, when they come, will, no doubt, continue to add vitality to the manufacturing side of the cable industry, even as the construction boom begins to fade. In fact, the promise of technological breakthroughs is a major reason for long-term optimism in the face of the inevitable decline in coaxial construction.

In light of these considerations, perhaps the biggest construction news of 1982 was the agreement announced at the Western Show between United Cable and Times Fiber for complete fiber wiring of the Alameda, Calif., system. Under a turnkey agreement, Times Fiber will construct 120 miles of plant providing 120 cable channels




to the San Francisco Bay community of 24,392 homes at a cost of $8 million or some $67,000 per mile. Construction is slated for completion by August of this year.

All wiring will be fiberoptic, including feeder and drops—marking the first time any operator has installed a completely fiberoptic system in the United States. In fact, it may mark the first commercial fiberoptic operation anywhere, insofar as fiberoptic systems installed in Japan and France have been underwritten by the governments as technological experiments.

The computerized Alameda fiberoptic network will be two-way addressable with facilities for ratings analysis, revenue monitoring and impulse pay-per-view. Subscribers will use a keypad instead of a set-top converter to order programs.

Another factor that may provide impetus to sales in the cable marketplace is the prospect for competition in once-exclusive markets. No one knows now just how big a role overbuilds are going to play in cable's future, but it appears the role is going to be much greater than it has been in the past. Cablevision Systems already has made it clear it does not consider a market off limits just because another operator is there. And with court cases opening the way for challenges to exclusivity, there may be many markets that will see a secondary building phase over the next decade.

As for the future, the addition of some 205,000 miles of new plant over the next four years isn't a disastrous decline. In the past four years, the industry has added some 237,000 miles of new plant. Thus, there may be less business for manufacturers and contractors in the years immediately ahead but not much less.

*CableVision* found that 1984 should be a year of intense activity, which would indicate that the following two years would drop significantly. ATC, for example, plans to add some 13,000 miles of plant between now and the end of 1986. Approximately 8,000 miles of that construction will be completed by the end of 1984. Cox plans to add another 3,900 miles over the next four years, barring any further major franchise awards, and all but a couple hundred of those miles are slated for completion by the end of 1984.

ATC, Cox, Storer, Warner Amex, United and Group W all report they are committed firmly to their building plans, including significant rates of new-build for the next few years.

*(Continued on p. 53)*

*(Continued from p. 48)*

Group W said its 1983 construction expenditures will be 15-30 percent above the approximately $200 million spent in 1982, with the amount split in half between new and rebuild construction. United is another firm looking at substantial increases in 1983 and 1984, owing to its new joint venture commitments with Tribune Cable in Montgomery County, Md.; Tampa, Fla.; and Sacramento, Calif.

Responses to the *CableVision* survey indicate that the softness that appears to be emerging is emerging among medium and small MSOs rather than from the largest firms. Thus, it is not likely, barring another major economic downturn, that the 1983 construction results will be far below the amounts projected in this year's survey. Clearly, there is more caution and better control over costs, but there appears to be no dampening of the enthusiasm in the industry to complete the job of wiring America.

*—Fred Dawson*

# Boston hustle

## McCourt completes difficult first-phase construction from downtown to East Boston

BOSTON—The construction firm building Cablevision Systems' 728-mile cable system in Boston recently completed the first, and possibly most difficult, phase of the project in just under a month's time.

On Oct. 17, McCourt Cable Systems Inc. of Boston began construction of a quad-trunk bundle at the system's headend atop a downtown office tower. McCourt strung cable under the Southeast Expressway, buried it in the historic North End district and fed it through a conduit in the Sumner Tunnel, which passes under Boston harbor to connect downtown with East Boston, 4½ miles from center city.

Workers reached East Boston on Nov. 15. That area was designated as the first to receive cable service due to over-the-air signal interference from nearby Logan International Airport. Dec. 27 was targeted for the hookup of the first homes in the city to receive service.

Eventually, the 210-channel capacity, four-trunk system will pass some 250,000 households and thousands of businesses. McCourt officials said construction of the full 728 street miles of plant will take two years. McCourt and Cablevision Systems said the target date is 1½-2 years earlier than originally expected.

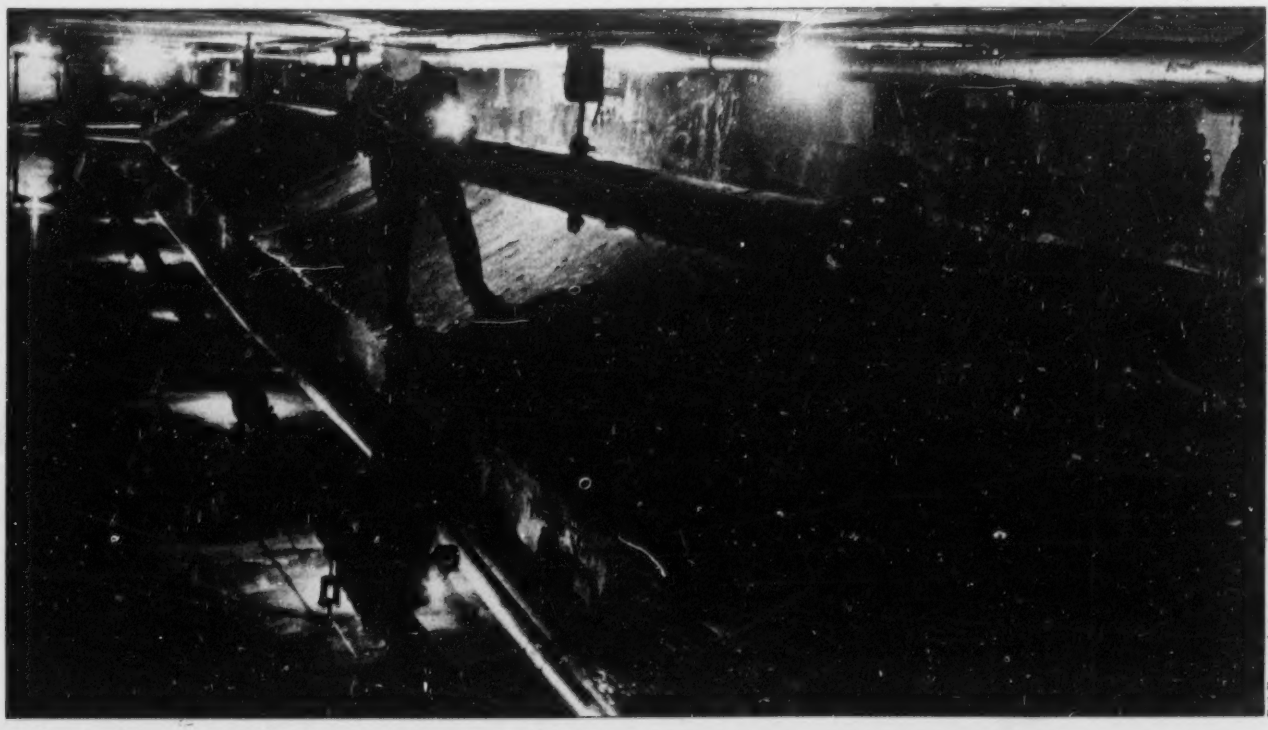
David McCourt, president of the construction firm, said his company's expertise in airport construction and in working in congested urban environments was responsible for the rapid progress of the Boston build's first phase. The firm worked around the clock wiring the central business district at night and residential areas during daylight hours. McCourt termed the build the "toughest" in cable's history.

The original construction date was delayed due to legal entanglements, but McCourt said that the first phase nonetheless was completed on schedule. "The city couldn't be more pleased with the progress of the system," he said.

Rick Bouhrton, the city's cable coordinator in the mayor's office, said, "The construction from the headend proceeded more quickly than anyone had expected—beyond anyone's expectations."

However, despite McCourt's new projections, Bouhrton said the city expects it to take 3½ years to build the entire system, which would put the targeted completion date closer to 1986.

Construction of the Boston system is more difficult than most builds, even urban builds, because it uses few existing conduits. About two-thirds of the plant will consist of aerial installation. The remaining third will be underground.



Bill Berry photos

***A McCourt inspector checks cable TV conduits installed under Boston Harbor in bottom of traffic tunnel that links Boston with East Boston. Conduits are part of first link of largest cable television system to be constructed in U.S.***

# Crunching numbers

## Arbitron, A.C. Nielsen agree on U.S. cable penetration but differ on systems

NEW YORK — A.C. Nielsen and Arbitron agree that cable penetrates at least 30 percent of U.S. television households, but in their final 1982 counts, the research firms' numbers of wired households and penetration percentages continue to differ.

Nielsen's final numbers show basic cable in 29,340,570 households as of November, or 35 percent of the nation's TV homes. The figure, released Dec. 23, is an increase of 1,456,570 homes and one percentage point from the company's July 1982 count of 27,884,000 homes. Earlier last month, Arbitron released its final 1982 count, with basic cable in 24,750,000 households, 30 percent of all U.S. TV homes. That's up from 21,179,525 homes and approximately 26 percent cable penetration in July.

Arbirton's count marked a change in its cable measurement procedure from previous reports, going from basic reliance on subscriber numbers acquired from cable operators, supplemented by cable reference books, to a 50-50 average between operator data and numbers from 500,000 diary households around the nation (*CV*, 12/27/82, p. 73). However, the result is approximately 4.5 million households and five percentage points behind Nielsen's report, which takes into account figures from operators, various cable networks, reference works, 500,000 diary households and, for this report, phone calls to 200,000 other homes during the first two weeks of November.

Arbitron and Nielsen agree that New York has the largest number of cable homes in the country, and that Las Vegas, Nev., has the lowest percentage of cable penetration. Each company reached the same conclusion using different methods to determine the population of television viewers within a given area. Neilsen, using its Designated Market Area standard, reports that New York has 1,920,240 basic cable households, covering approximately 30 percent of the area. By its Area of Dominant Influence approach, Arbitron lists the Big Apple's wired populus at 1,584,093 households, or roughly 25 percent of the area's homes, and five percentage points lower than Nielsen's figure.

In Las Vegas, Arbitron's count of 7,596 homes placed the area at 4 percent cable penetration. Nielsen's number worked out to more than double those of Arbitron — 16,650 households, 8.2 percent cable penetration.

Nielsen installed its latest tool of cable census-taking, the phone calling system,

## Nielsen top 50 DMA cable markets (ranked by households)

| Rank | Area/DMA | Cable Homes | Percentage of TV Homes |
|---|---|---|---|
| 1 | New York | 1,920,240 | 29.7 |
| 2 | Los Angeles/Palm Springs | 1,025,400 | 23.8 |
| 3 | San Francisco | 885,680 | 44.1 |
| 4 | Philadelphia | 879,310 | 36.3 |
| 5 | Pittsburgh | 619,580 | 51.1 |
| 6 | Boston/Manchester/Worchester | 529,330 | 27.1 |
| 7 | Seattle-Tacoma | 470,560 | 42.0 |
| 8 | Houston | 436,210 | 33.3 |
| 9 | Cleveland/Akron | 431,450 | 30.4 |
| 10 | San Diego | 416,660 | 57.5 |
| 11 | Dalls-Ft. Worth | 376,000 | 26.8 |
| 12 | Hartford/New Haven | 371,010 | 51.6 |
| 13 | Atlanta | 361,650 | 32.8 |
| 14 | Chicago | 354,290 | 11.9 |
| 15 | Miami/Ft. Lauderdale | 344,130 | 30.0 |
| 16 | Buffalo | 338,480 | 54.8 |
| 17 | Tampa-St. Petersburg/Sarasota | 320,650 | 29.9 |
| 18 | Wilkes Barre/Scranton | 299,090 | 62.8 |
| 19 | Orlando-Daytona Beach | 286,910 | 46.0 |
| 20 | Charleston-Huntington | 278,090 | 55.5 |
| 21 | Kansas City | 259,750 | 38.2 |
| 22 | Sacramento-Stockton | 257,910 | 30.3 |
| 23 | Indianapolis | 254,370 | 31.2 |
| 24 | Syracuse | 253,480 | 58.2 |
| 25 | Harrisburg/Lancaster/Lebanon/York | 251,230 | 52.0 |
| 26 | Washington | 249,340 | 16.7 |
| 27 | Columbus | 242,640 | 41.3 |
| 28 | Oklahoma City | 239,190 | 44.0 |
| 29 | Albany/Schenectady/Troy | 239,100 | 50.9 |
| 30 | Grand Rapids/Kalamazoo/Battle Creek | 235,770 | 40.7 |
| 31 | Birmingham/Anniston | 228,680 | 40.0 |
| 32 | Detroit | 223,830 | 13.4 |
| 33 | Wichita/Hutchinson | 219,890 | 53.4 |
| 34 | Johnstown-Altoona | 216,100 | 68.3 |
| 35 | Dayton | 211,720 | 45.5 |
| 36 | Tulsa | 211,360 | 49.0 |
| 37 | Raleigh-Durham | 209,150 | 38.3 |
| 38 | San Antonio | 208,220 | 40.3 |
| 39 | West Palm Beach/Ft. Pierce | 203,890 | 55.7 |
| 40 | Portland | 202,790 | 25.0 |
| 41 | Greenville/Spartanburg/Asheville | 193,180 | 33.0 |
| 42 | Champaign/Springfield/Decatur | 190,250 | 57.3 |
| 43 | Nashville | 189,980 | 27.4 |
| 44 | New Orleans | 186,900 | 30.7 |
| 45 | Shreveport | 182,260 | 41.6 |
| 46 | Norfolk/Portsmouth/Newport News | 178,290 | 36.3 |
| 47 | Mobile-Pensacola | 177,940 | 45.0 |
| 48 | Memphis | 176,680 | 30.5 |
| 49 | Charlotte | 176,190 | 29.0 |
| 50 | Denver | 175,640 | 19.5 |

this past May. Under the system, households targeted to receive diaries are called in advance and asked about their cable status. The reponses are tabulated with information from other sources. Arbitron does likewise but does not incorporate results into its cable penetration reports.

In the top 50 markets, Nielsen's DMA process and Arbitron's ADI method also showed Chicago and Detroit as low cable-penetrated areas among the top 50 markets. Arbitron's count of 279,026 homes put Chicago at 9 percent penetration. Nielsen counted 354,290 Chicago households, 12 percent penetration.

Detroit registered an 11 percent penetration figure with Arbitron and 13 percent with Nielsen.

Palm Springs, Calif., an area outside the top 50 range, has the highest percentage—88 percent—of basic cable households, according to Arbitron. Under Nielsen's system, Palm Springs is counted as part of the Los Angeles market. Both areas combined total 24 percent cable penetration, according to Nielsen's estimates.

Nielsen lists a California region that includes Santa Barbara, San Marino and San Luis Obispo highest in terms of cable penetration percentages. That three-city grouping has a 79.5 percent penetration of cable homes, the company reports. Arbitron lists the area second behind Palm Springs, but with 80 percent cable penetration, one half percentage point ahead of Nielsen's count.

Marquette, Mich., is second on Nielsen's cable penetration percentage list at 74.3 percent. The area ranks 24th on Arbitron's report at 62 percent. Those figures, in particular, could change in 1983 counts, depending on the outcome of the refranchising situation involving the now-disenfranchised Cox Cable, the local consortium Marquette Cablevision and the Marquette City Council.

Both reports name San Angelo, Texas, as the third-highest cable-penetration area in the U.S. Arbitron's count shows penetration at 75 percent, Nielsen at 72.7 percent.

Among Nielsen's top 50 cable markets, the markets with the highest penetration, in descending order, were Johnstown-Altoona, 216,100 cable homes, 68.3 percent of TV homes; Wilkes Barre/Scranton, 299,090 subscribers, 62.8 percent; Syracuse, 253,480 subscribers, 58.2 percent; San Diego, 416,660 subscribers, 57.5 percent; Champaign/Springfield/Decatur, 190,250 subscribers, 57.3 percent; West Palm Beach/Ft. Pierce, 203,890 subscribers, 55.7 percent; Charleston/Huntington, 278,090 subscribers, 55.5 percent; Buffalo, 338,480 subscribers, 54.8 percent; Wichita/Hutchison, 219,890 subscribers, 53.4 percent; and Harrisburg/Lancaster/Lebanon/York, 251,230 subscribers, 52 percent.

Among Arbitron's top 50 cable markets, the markets with the highest penetration, in descending order, were Santa Barbara/San Mateo/San Luis Obispo, 140,466 subscribers, 79.8 of TV homes; Johnstown-Altoona, 177,699 subscribers, 65.9 percent; Wilkes Barre/Scranton, 284,076 subscri-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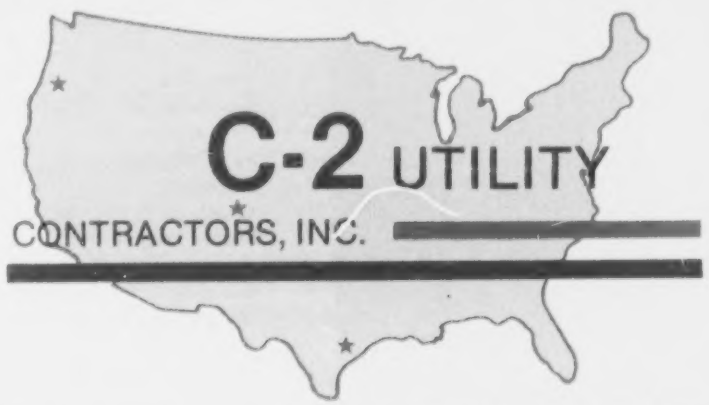


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December, 1982

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MASSACHUSETTS CABLEVISION SYSTEMS, INC.

SENIOR REVOLVING CREDIT AND TERM LOAN

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bers, 60.2 percent; San Diego, 387,525 subscribers, 53.6 percent; Charleston-Huntington, 272,831 subscribers, 51.9 percent; Springfield/Decatur/Champaign, 168,605 subscribers, 51.2 percent; West Palm Beach, 182,641 subscribers, 49.6 percent; Syracuse, 174,204 subscribers, 48.6 percent; Albany/Schenectady/Troy, 224,043 subscribers, 48 percent; and Hartford/New Haven and Wichita/Hutchison, each with 46.6 percent.

## Notes

■ Faulting traditional marketing techniques for failing to increase what has become a stagnant basic cable penetration, Greg Liptak, Times Mirror Cable TV executive vice president, called on the industry to come up with new sales techniques that can bring the excitement back to cable TV. Speaking before December meeting of the Southern California Cable Club, Liptak offered operators his "Ten Commandments" for successful cable operations. In addition to the more obvious need to provide a technically proficient system and offer good customers service, Liptak suggested several new approaches to improving penetration. Among them were the need to explain to customers the difference between cable and STV, to offer convenient program guides, explain cable's price advantages, and cooperate with other cable systems in sharing marketing expenses.

■ Roger Cable TV has introduced a new pay television information service, Showcase, which debuted in Toronto last month. It offers information on the three pay services available while showing clips of upcoming events.

■ Warner Amex Cable Communication systems in Cincinnati and Pittsburgh set company monthly sales records for new customers. Cincinnati grew by 14,603 customers to 78,000 between Oct. 13 and Nov. 17. In Pittsburgh, Warner Amex subscribers increased by 11,600 to 52,000 between Aug. 30 and Sept. 30.

■ A.C. Nielsen's Home Video Index has just completed a national "Cable Network Product Usage Study" for Entertainment and Sports Programming Network, Cable News Network, WTBS and Music Television. The special survey was designed to collect information on purchase habits and product usage from homes that view these networks. The survey was conducted late last summer.

■ Media General Cable of Fairfax County, Va., has named The Martin Agency of Richmond, Va., as its communications and marketing counsel. Initially, the agency plans to use newsletters, new releases, collateral materials and slide shows to "educate the public, the political leaders and civic organizations" on Media General's activities in the county, said Compton Jones, Martin vice president. Media General is building a $150 million cable system in Fairfax County.

# Arbitron
# top 50 ADI cable markets (ranked by households)

| Rank | Area/ADI | Cable Homes | Percentage of TV Homes |
|---|---|---|---|
| 1 | New York | 1,584,093 | 24.5 |
| 2 | Los Angeles | 805,221 | 19.0 |
| 3 | Philadelphia | 791,050 | 31.9 |
| 4 | San Francisco | 721,484 | 36.1 |
| 5 | Pittsburgh | 544,504 | 44.3 |
| 6 | Cleveland | 415,868 | 29.5 |
| 7 | Seattle-Tacoma | 399,654 | 36.0 |
| 8 | Boston | 395,280 | 20.5 |
| 9 | San Diego | 387,525 | 53.6 |
| 10 | Hartford/New Haven | 371,742 | 46.6 |
| 11 | Houston | 345,017 | 26.0 |
| 12 | Wilkes Barre/Scranton | 284,076 | 60.2 |
| 13 | Chicago | 279,026 | 9.3 |
| 14 | Charleston-Huntington | 272,831 | 51.9 |
| 15 | Orlando-Daytona Beach | 258,829 | 41.3 |
| 16 | Tampa-St. Petersburg | 257,916 | 23.9 |
| 17 | Buffalo | 257,473 | 40.7 |
| 18 | Miami | 251,321 | 21.7 |
| 19 | Atlanta | 249,853 | 22.4 |
| 20 | Columbus | 228,370 | 38.7 |
| 21 | Dallas-Ft. Worth | 225,333 | 16.1 |
| 22 | Albany/Schenectady/Troy | 224,043 | 48.0 |
| 23 | Grand Rapids/Kalamazoo/Battle Creek | 219,808 | 38.0 |
| 24 | Harrisburg/York/Lancaster/Lebanon | 219,334 | 45.4 |
| 25 | Oklahoma City | 218,263 | 38.9 |
| 26 | Kansas City | 211,297 | 30.0 |
| 27 | Sacramento-Stockton | 204,593 | 24.0 |
| 28 | Indianapolis | 199,006 | 24.9 |
| 29 | Washington | 197,111 | 13.1 |
| 30 | Wichita/Hutchinson | 192,391 | 46.6 |
| 31 | Portland | 189,068 | 23.2 |
| 32 | Detroit | 182,730 | 10.9 |
| 33 | West Palm Beach | 182,641 | 49.6 |
| 34 | Raleigh/Durham | 181,566 | 31.5 |
| 35 | New Orleans | 180,500 | 29.8 |
| 36 | San Antonio | 179,562 | 35.7 |
| 37 | Johnstown-Altoona | 177,699 | 65.9 |
| 38 | Dayton | 174,705 | 36.6 |
| 39 | Syracuse | 174,204 | 48.6 |
| 40 | Springfield/Decatur/Champaign | 168,605 | 51.2 |
| 41 | Tulsa | 167,125 | 38.8 |
| 42 | Shreveport/Texarkana | 161,626 | 36.7 |
| 43 | Norfolk/Portsmouth/ Newport News/Hampton | 152,338 | 30.7 |
| 44 | Denver | 146,061 | 16.0 |
| 45 | Mobile/Pensacola | 144,988 | 36.3 |
| 46 | Birmingham | 143,931 | 29.3 |
| 47 | Toledo | 141,982 | 35.0 |
| 48 | Santa Barbara/San Mateo/ San Luis Obispo | 140,466 | 79.8 |
| 49 | Memphis | 138,356 | 23.8 |
| 50 | Flint/Saginaw/Bay City | 138,322 | 30.5 |

# Pay/basic cable growth

| Year | Basic Subscribers | % of TVHHs | Pay Subscribers | % of TVHHs |
|---|---|---|---|---|
| 1990 | 58,900,000 | 62 | 43,700,000 | 46 |
| 1989 | 54,988,000 | 59 | 40,076,000 | 43 |
| 1988 | 52,098,000 | 57 | 36,560,000 | 40 |
| 1987 | 49,280,000 | 56 | 33,152,000 | 37 |
| 1986 | 45,456,000 | 52 | 29,852,000 | 34 |
| 1985 | 40,467,000 | 47 | 26,830,000 | 30 |
| 1984 | 35,448,000 | 42 | 21,944,000 | 26 |
| 1983 | 30,636,000 | 37 | 18,216,000 | 22 |
| 1982 | 27,500,000 | 32 | 15,000,000 | 20 |
| 1981 | 22,596,000 | 28 | 11,804,000 | 14 |
| 1980 | 18,872,000 | 24 | 7,780,000 | 10 |
| 1979 | 16,023,000 | 21 | 5,34*,000 | 7 |
| 1978 | 14,166,000 | 19 | 2,980,000 | 4 |
| 1977 | 13,194,000 | 18 | 1,466,000 | 2 |
| 1976 | 12,094,000 | 17 | 665,000 | 1 |

Legend: Pay Subs, Basic Subs

60 50 40 30 20 10

'76 '77 '78 '79 '80 '81 '82 '83 '84 '85 '86 '87 '88 '89 '90

## Cable barometer

Television households (TVHH) ..... 82,100,000

Homes passed by cable (HP) . 45,310,421

Percent of TVHH passed by cable ..... 55.2%

Basic cable subscribers .. 26,991,845

Percent of TVHH with basic cable ..... 32.9%

Percent of HP with basic cable ..... 59.6%

Pay cable units ..... 14,550,000

Percent of TVHH with pay cable ..... 17.7%

Percent of HP with pay cable ..... 32.1%

Percent of basic subs with pay cable .. 53.9%

Figures are as of October 1982

# Film product comparison—December

| Film | Pay Networks | | | | | Distributor |
|---|---|---|---|---|---|---|
| A Piece of the Action | | | | | C | Warner Bros |
| Across the Great Divide | HBO | | (TMC) | | | Simcom |
| Adventures of the Wilderness Family | (HBO) | ST | (TMC) | | | Simcom |
| Airplane | | ST* | | | (C) | Paramount |
| All Night Long | | (ST) | TMC | | | Universal |
| Allegro Non Troppo | | | | | C* | Atlantic |
| American Pop | | ST | | | | Columbia |
| American Wilderness | HBO* | | | | | Simcom |
| Animals are Beautiful People | | ST | | | (C) | Warner Bros |
| The Asphalt Cowboy | | | | HTN* | | Universal |
| Beloved Enemy | | ST | | | | Samuel Goldwyn Co |
| The Big Cats | HBO | | | | | NGS |
| Birgitt Haas Must Be Killed | | | TMC | | | Moreno |
| Bite the Bullet | | | | | C | Columbia |
| Black Beauty | | (ST) | | HTN | | Paramount |
| Blow Out | | ST | | | C | Orion |
| Bobby Deerfield | | | | HTN* | | Warner Bros |
| The Border | HBO* | ST* | (TMC) | | | Universal |
| Breaker Morant | | | (TMC) | HTN* | (C) | New World |
| Brian's Song | | (ST) | | HTN* | (C) | Columbia |
| Buddy Buddy | HBO | ST | TMC* | | | MGM/UA |
| The Burning | | | TMC | | | Orion |
| Bustin' Loose | | ST* | | | | Universal |
| The Cannonball Run | (HBO) | | | | C | HBO |
| Carnal Knowledge | | ST* | | | C* | Embassy |
| Cat and the Canary | | | | HTN | | Quartet |
| Cause for Alarm | | ST | | | | MGM/UA |
| Caveman | | ST* | | | | MGM/UA |
| Chain Reaction | | ST | TMC | | | Warner Bros |
| The Chant of Jimmie Blacksmith | | | | | C | Orion |
| Cheech and Chong's Nice Dreams | | ST* | (TMC) | | (C) | Columbia |
| The Chinese Typewriter | | | | HTN | | Universal |
| Cleopatra Jones and the Casino of Gold | | | | | C* | Warner Bros |
| Coach of the Year | | | | HTN | | Paramount |
| Coast to Coast | (HBO) | ST | | | | Paramount |
| The Competition | HBO | ST | | (HTN) | | Columbia |
| The Con Artists | | | | | C | S.J. International |
| Confessions of a Pop Performer | | | | | C* | Columbia |
| Continental Divide | HBO | | | HTN* | | Universal |
| Convoy | HBO | | (TMC) | | | MGM/UA |
| The Cowboy and the Lady | | ST | | | | Samuel Goldwyn Co |
| The Damned | | | | | C* | Warner Bros |
| Days of Fury | | | | | C | Picturemedia |
| Dead End | | | | | C | Samuel Goldwyn Co |

| Film | Pay Networks | | | | | Distributor |
|---|---|---|---|---|---|---|
| The Deer Hunter | | ST | TMC | | | Universal |
| The Devils | | | | | C | Warner Bros |
| Die Laughing | | ST | | | | Warner Bros |
| Doctor Zhivago | | | | HTN | | MGM/UA |
| The Dogs of War | | | TMC | | | MGM/UA |
| The Dot and Santa Claus | | ST* | (TMC) | | | Safari |
| The Dream Never Dies | | | | HTN | | RFX |
| Elvis | | ST* | (TMC) | | | Worldvision |
| Excalibur | | | | HTN | | Warner Bros |
| The Exterminator | HBO | (ST) | | | | Orion |
| Eyewitness | | (ST) | TMC | | | 20th Century-Fox |
| Falling in Love Again | (HBO) | ST* | | | | Badish |
| The Fan | HBO | | TMC | | | Paramount |
| The Fighting Sullivan | | | | | C | Crystal Pictures |
| Final Assignment | HBO* | | TMC* | | | Almi Group |
| The Final Conflict | | ST | | | | 20th Century-Fox |
| Five Days from Home | | | | HTN | | Universal |
| The 500 Pound Jerk | | | | HTN* | | Universal |
| For Your Eyes Only | | (ST) | (TMC) | (HTN) | C* | MGM/UA |
| Fort Apache: The Bronx | HBO | | | | (C) | HBO |
| Four Friends | HBO | | TMC | | | Orion |
| The French Lieutenant's Woman | (HBO) | ST* | (TMC) | | | MGM/UA |
| The Fun House | | ST* | TMC | | | Universal |
| Gallipoli | HBO | ST | TMC | HTN | | Paramount |
| Games Girls Play | | | | | C* | Simcom |
| Geordie | | | | | C | Align Enterprises |
| Get Rita | | | | HTN* | | K-Pay |
| Gideon's Trumpet | | | TMC* | | | Worldvision |
| Gimme Shelter | | | | | C* | Almi Group |
| Going Ape | | ST* | | | | Paramount |
| Greased Lightning | (HBO) | | | HTN* | | Warner Bros |
| The Great Bank Hoax | | | | HTN | (C) | Warner Bros |
| The Great Caruso | | | | (HTN) | C | MGM/UA |
| The Great Diamond Robbery | | ST | | | | MGM/UA |
| The Great Train Robbery | | ST | | (HTN) | (C) | MGM/UA |
| Green Ice | (HBO) | | | HTN | | ITC |
| Gulliver's Travels | HBO | | | | | Viacom |
| The Gumball Rally | | | | HTN* | (C) | Warner Bros |
| Guys and Dolls | | ST | | | | Samuel Goldwyn Co |
| Handle with Care (aka Citizens Band) | HBO | | | | | Paramount |
| Heart Beeps | HBO | (ST) | (TMC) | (HTN) | | Universal |
| Heavy Metal | | | TMC | | | Columbia |
| Hell Night | HBO | | (TMC) | | | Compass International |
| I Sent a Letter to My Love | | | | HTN* | | Atlantic |
| In Praise of Older Women | | ST* | | | (C) | Embassy |
| Julia | | | | | C | MGM/UA |
| King of the Mountain | HBO | | | | | PolyGram |
| Knightriders | HBO* | | (TMC) | | | United Film |

# Cable stats

| Film | Pay | Networks | | | Distributor |
|---|---|---|---|---|---|
| La Cage Aux Folles II | | (ST) | TMC | | MGM/UA |
| Lady Oscar | | | (TMC) | HTN | Sanrio |
| The Last Metro | | ST | | | MGM/UA |
| The Last Waltz | | | TMC | | MGM/UA |
| The Last Word | | | TMC* | | Samuel Goldwyn Co |
| Legend of the Lone Ranger | | | | C* | ITC |
| Les Girls | | | TMC | (HTN) (C) | MGM/UA |
| Let's Do It Again | | ST | | (C) | Warner Bros |
| Liar's Moon | HBO | | TMC | | Crown International |
| The Little Prince | | | | HTN* | Paramount |
| Loiita | | ST | | | MGM/UA |
| Looping | | ST* | | | Viacom |
| Loose Shoes | | (ST) | | C | Orion |
| Love Box | | ST | | | Miramax |
| Love For Rent | | | | C | HBO |
| Love is Better Than Ever | | ST* | | | MGM/UA |
| Magic | | | | C | Viacom |
| The Magic of Lassie | HBO | | | | Lassie Productions |
| Man of La Mancha | | | TMC | | MGM/UA |
| The Man Who Saw Tomorrow | HBO | | | | Warner Bros |
| The Man Who Skied Down Everest | | | TMC | | Canadian Film Market |
| Mean Streets | | ST | | | Warner Bros |
| Meatballs | | | | C | Paramount |
| Middle Age Crazy | | | | C | HBO |
| Modern Problems | (HBO) | ST* | (TMC) | (HTN) | 20th Century-Fox |
| Modern Romance | | ST* | TMC | | Columbia |
| Montenegro | HBO* | (ST) | | | Atlantic |
| The Mouse and His Child | | | TMC | C | Sanrio |
| The Music Man | | | TMC | (C) | Warner Bros |
| My Pallkari | | | (TMC) | HTN | Thorn EMI |
| Mystery Street | | ST | | | MGM/UA |
| Neighbors | HBO | | | | Columbia |
| Never Never Land | (HBO) | | (TMC) | HTN | Thorn EMI |
| The Night the Lights Went Out in Georgia | (HBO) | | | C | Viacom |
| Nighthawks | HBO | | | | Universal |
| Nightwing | | | | C | Columbia |
| On Golden Pond | HBO* | | | | AFD |
| The Optimists | | | | HTN* | Paramount |
| The Painted Hills | | ST* | | | MGM/UA |
| Pennies From Heaven | HBO | ST | TMC | | MGM/UA |
| The Pied Piper | | | | HTN | Paramount |
| Raggedy Man | | (ST) | | HTN* | Universal |
| Rock for Kampuchea | | | | C* | Miramax |
| Rockshow | | ST | | (C) | Miramax |
| Rollover | HBO | ST | TMC | | Warner Bros |
| Rollercoaster | (HBO) | | | HTN* | Universal |
| The Runaways | | | | C | Worldvision |
| Saint Jack | | | | C | New World |
| Scene of the Crime | | ST | | | MGM/UA |
| Second Hand Hearts | | ST | TMC | | Lorimar |
| Secret Fantasy | | ST | | | Film Ventures |
| Sgt. Pepper's Lonely Hearts Club Band | | | | HTN | Universal |
| She's 19 and Ready | | | | C | TeleMine |
| The Shogun Warriors | | | | | |
| Spacekeepers | | ST | | | Blum Group |
| Silence of the North | (HBO) | ST* | | HTN* | Universal |
| Sinbad and the Eye of the Tiger | | ST | | (C) | Columbia |
| Skyward | | | | C | HBO |
| Sleeping Dogs | | | | C | Sator |
| Smash Palace | HBO | ST | TMC | | Atlantic |
| Stripes | (HBO) | | (TMC) | (HTN) C* | Columbia |
| Superman II | HBO | ST | TMC | HTN | Warner Bros |
| The Swinging Cheerleaders | | ST | | C | Delta Video |
| The Tall Target | | ST | | | MGM/UA |
| Taps | (HBO) | ST* | (TMC) | (HTN) | 20th Century-Fox |
| Tess | | ST* | TMC | (HTN) C* | Columbia |
| They All Laughed | HBO* | | | | HBO |
| Thief | | | TMC | | MGM/UA |
| This Sporting Life | | | | C | Janus |
| This Time Forever | | | | HTN | Thorn EMI |
| Time Bandits | | ST | TMC | | Embassy |
| Toby and the Koala Bear | | ST | (TMC) | (C) | Satori |
| Tommy | | | | C | Columbia |
| The Turning Point | | | | C | 20th Century-Fox |
| Two Weeks in Another Town | | | | (HTN) C | MGM/UA |
| The Ultimate Imposter | | | | HTN* | Universal |
| The Ultimate Warrior | | | | C | Warner Bros |
| The Unknown Man | | ST | | | MGM/UA |
| Urban Cowboy | | ST | TMC | (C) | Paramount |
| Urgh! A Music War | | ST | TMC | | Lorimar |
| Vice Squad | HBO | ST | TMC | | Embassy |
| Victory | HBO* | (ST) | (TMC) | (HTN) | Lorimar |
| The VIP's | | ST | | (HTN) (C) | MGM/UA |
| Who's That Knocking At My Door? | HBO | ST | | | Warner Bros |
| Whose Life Is It Anyway? | | ST | TMC | C | MGM/UA |
| Wild and Beautiful On Ibiza | | ST | | | K-Pay |
| Willy Wonka and the Chocolate Factory | (HBO) | ST | | (HTN) | Warner Bros |
| Zorro, the Gay Blade | (HBO) | ST | | (HTN) | 20th Century-Fox |

■ **Cable Network Legend**

HBO—Home Box Office
ST—Showtime
TMC—The Movie Channel
HTN—Home Theater Network Plus
C—Cinemax

■ Networks in parentheses indicate carriage in August, September, October, November and/or December.

■ An asterisk following a network indicates the film is a carry-over from August, September, October, November and/or December.

■ In total, 180 films appear on the January schedules of HBO, Showtime, The Movie Channel, HTN Plus and Cinemax. Of those titles during the last six months (August-December 1982, January 1983), nine films appeared on four of the five services, 22 on three and 53 on two services. Ninety-five films are unduplicated.

■ The motion picture distributor to pay cable with the most titles featured this month is MGM/UA with 29, followed by Warner Bros. with 22 and Universal with 17.

■ A clean sweep for the first month of 1983—"Superman II" flying on the front page of the HBO, HTN Plus, HBO/Cinemax, The Movie Channel and Showtime guides. Accompanying Christopher Reeve: "Neighbors," "Whose Life is it Anyway?" and the new series "Fraggle Rock" on the HBO/Cinemax guide; a lone "Fraggle" on the HBO guide cover and a scene from another new pay series, "Loving Friends" and "Perfect Couples" on the Showtime guide.

# Top 20 MSOs

| Rank | Multiple System Operator | Subscribers |
|---|---|---|
| 1. | Tele-Communications Inc.[1] | 2,200,000 (9/31) |
| 2. | American Television and Communications | 2,057,280 (9/31) |
| 3. | Group W Cable | 1,822,701 |
| 4. | Cox Cable Communications | 1,248,879 (10/31) |
| 5. | Warner Amex Cable Communications | 1,160,000 |
| 6. | Storer Cable Communications | 1,106,278 (10/31) |
| 7. | Times Mirror | 756,743 |
| 8. | Rogers-UA Cablesystems | 689,875 |
| 9. | Newhouse Broadcasting[2] | 670,332 |
| 10. | Continental Cablevision | 603,000 |
| 11. | Viacom Cablevision | 592,841 (10/31) |
| 12. | United Cable Television Corp. | 522,980 (10/31) |
| 13. | Sammons Communications | 517,912 |
| 14. | TeleCable Corp. | 371,732 |
| 15. | Capital Cities Cable | 314,283 |
| 16. | General Electric Cable Corp. | 303,300 |
| 17. | Cablevision Systems Development | 278,000 |
| 18. | Heritage Communications | 266,984 |
| 19. | Comcast Corp. | 265,000 (10/31) |
| 20. | Liberty Communications | 248,000 (12/82) |

[1]Number is a company estimate; the last official subscriber count is as of 12/81.
[2]Includes MetroVision, NewChannels, Vision Cable.

# Top 20 systems

| Rank | Location | Operator | Subscribers | |
|---|---|---|---|---|
| 1. | San Diego, Calif. | Cox Cable | 220,836 | (10/31) |
| 2. | Woodbury, (Long Island), N.Y. | Cablevision Systems | 176,865 | |
| 3. | Manhattan, N.Y. | ATC | 166,725 | (9/31) |
| 4. | West Orange, N.J. | Maclean Hunter | 142,013 | |
| 5. | San Antonio, Texas | Rogers-UA Cablesystems | 135,738 | |
| 6. | Santa Monica (L.A. area), Calif. | Group W Cable | 129,807 | (9/30) |
| 7. | Wayne, N.J. | Rogers-UA Cablesystems | 113,497 | (12/15) |
| 8. | Tulsa, Okla. | United Cable | 102,163 | (10/31) |
| 9. | Audubon, N.J. | NYT Cable | 97,305 | (12/11) |
| 10. | Erie County, N.Y. | Prime Cable | 96,524 | |
| 11. | San Jose, Calif. | Gill Industries | 94,210 | |
| 12. | Austin, Texas | ATC | 89,321 | |
| 13. | Tidewater, Va. | Cox Cable | 89,288 | (10/31) |
| 14. | Central Islip, N.Y. | Viacom | 83,063 | (10/31) |
| 15. | Orlando, Fla. | ATC | 82,300 | (9/31) |
| 16. | Jefferson Parish/Kenner, La. | Cox Cable | 80,160 | (10/31) |
| 17. | Seattle, Wash. | Group W Cable | 80,040 | (10/31) |
| 18. | Toledo, Ohio | Buckeye Cablevision | 76,258 | |
| 19. | Manhattan, N.Y. | Group W Cable | 75,246 | (10/31) |
| 20. | Memphis, Tenn. | ATC | 73,400 | (9/31) |

**Note:** Subscriber counts for MSOs and systems are as of 11/82 unless noted otherwise.

# NOTE

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Cover 1, p.4, 65, 77.